



**FINANCIAL STATEMENTS**

**DECEMBER 31, 2012**

**CAPITAL CITY RESCUE MISSION, INC.  
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Certified Public Accountant

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Susan G Baer, CPA PC

71 Link Road  
Ghent, NY 12075

Telephone: 518-822-1673  
Fax: 518-392-6833

[www.Northeastcpa.com](http://www.Northeastcpa.com)

To The Board of Directors  
Capital City Rescue Mission, Inc.  
259 South Pearl Street  
Albany, NY 12202

#### INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying Statement of Financial Position of Capital City Rescue Mission, Inc., as of December 31, 2012, and the related Statement of Activities, Statement of Functional Expenditures, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Capital City Rescue Mission, Inc. as of December 31, 2012, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.



Ghent, New York  
July 29, 2013

**CAPITAL CITY RESCUE MISSION, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2012**

**ASSETS**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Current Assets:</b>			
Checking	\$ 419,422	\$ 58,075	\$ 477,497
Investments	361,854		361,854
Money Market	7,416		7,416
Petty Cash	500		500
Total Current Assets	<u>789,192</u>	<u>58,075</u>	<u>847,267</u>
<b>Fixed Assets:</b>			
Land	138,625	-	138,625
Property and Equipment - Net of Accumulated Depreciation of \$2,847,008 (Note 2 and 6)	<u>7,260,564</u>	<u>-</u>	<u>7,260,564</u>
 Total Assets	 <u>\$8,188,381</u>	 <u>\$ 58,075</u>	 <u>\$8,246,456</u>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities:</b>			
Accounts Payable	\$190,699		\$190,699
Support Received in Advance (Note 4)	-	58,075	58,075
Total Current Liabilities	<u>190,699</u>	<u>58,075</u>	<u>248,774</u>
 <b>Long Term Liabilities:</b>			0
Deferred Annuity (Note 3)	2,806		2,806
Total Long Term Liabilities	<u>2,806</u>		<u>2,806</u>
 Total Liabilities	 193,505	 58,075	 251,580
 <b>Net Assets</b>			
Net Assets	<u>7,994,876</u>	<u>-</u>	<u>7,994,876</u>
Total Liabilities and Net Assets	<u>\$8,188,381</u>	<u>\$ 58,075</u>	<u>\$8,246,456</u>

See Accompanying Notes to Financial Statements  
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**CAPITAL CITY RESCUE MISSION, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

<u>SUPPORT:</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Donations (Note 1 A)	\$2,985,510	\$275,469	\$3,260,979
Donations: non cash (Note 1 B)	8,248	-	8,248
Bailer Income (net of expenses \$11,923) (Note 5)	71,621	-	71,621
Banquet	150,548	-	150,548
Interest and Dividend Income	17,128	-	17,128
Total Support	<u>3,233,055</u>	<u>275,469</u>	<u>3,508,524</u>
<u>EXPENSES:</u>			
Program	1,983,992	275,469	2,259,461
Fundraising	475,179	-	475,179
Management and General	356,858	-	356,858
Total Expenses	<u>2,816,029</u>	<u>275,469</u>	<u>3,091,498</u>
Change in Net Assets	<u>417,026</u>	<u>-</u>	<u>417,026</u>
Net Assets - Beginning of Year (Note 6)	<u>7,577,851</u>	<u>-</u>	<u>7,577,851</u>
Net Assets - End of Year	<u>\$7,994,877</u>	<u>\$ -</u>	<u>\$7,994,877</u>

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**CAPITAL CITY RESCUE MISSION, INC.  
STATEMENT OF FUNCTIONAL EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>TOTAL</u>
Salaries	539,812	203,407	39,117	782,336
Food	571,135	-	-	571,135
Fundraising	-	-	401,321	401,321
Occupancy	325,302	21,215	7,072	353,589
Depreciation	220,244	58,732	14,683	293,658
Program	247,216	-	-	247,216
General Supplies	100,882	-	-	100,882
Public Education	70,821	-	-	70,821
Payroll Taxes	41,661	15,698	3,019	60,378
Professional Fees	9,975	39,899	-	49,874
Transportation	39,944	-	-	39,944
Employee Benefits	21,828	5,037	1,119	27,984
Banquet	19,244	-	4,811	24,055
Postage	12,079	4,026	4,026	20,132
Telephone	14,415	-	-	14,415
Office Supplies	4,758	7,137	-	11,895
Housing Allowance	8,400	-	-	8,400
Conventions and Meetings	6,641	1,660	-	8,301
Dues and Memberships	3,130	-	-	3,130
Repairs & Maintenance	1,805	-	-	1,805
Interest	170	45	11	227
	<u>\$ 2,259,461</u>	<u>\$ 356,858</u>	<u>\$ 475,179</u>	<u>3,091,498</u>

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**CAPITAL CITY RESCUE MISSION, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

<u>Cash Flows From Operating Activities:</u>	<u>Unrestricted</u>
Change in Net Assets	\$417,026
Adjustments to Reconcile Change in Net Assets To Net Cash provided (Used) By Operating Activities:	
Increase in Accounts Receivable	(318)
Depreciation	293,658
Decrease/(Increase) in Accrued items and Accounts Payable	<u>676</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>294,016</b>
Adjustments to Reconcile Change in Net Assets To Net Cash provided (Used) By Financing Activities:	
Mortgage payment	(28,500)
Purchase of fixed assets	<u>(1,024,915)</u>
<b>Total Adjustments:</b>	<b>(342,373)</b>
<b>Cash at Beginning of Year</b>	<b><u>1,189,640</u></b>
<b>Cash at End of Year</b>	<b><u><u>\$847,267</u></u></b>

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**CAPITAL CITY RESCUE MISSION, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**Note 1: Summary of Significant Accounting Policies**

- A) Organization** In 2007 Capital City Rescue Mission (the Company) was merged with a newly formed corporation called Capital City Gospel Mission, an article nine, non-membership Church. The corporation is a not-for-profit corporation under the laws of the State of New York. This new corporation, Capital City Gospel Mission received the assets of the former corporation, Capital City Rescue Mission. Capital City Gospel Mission has legally assumed the name "Capital City Rescue Mission" and is doing business under this name with the Secretary of State. Capital City Gospel Mission is exempt from income taxes under section 501 (c) (3) of the internal revenue code. Capital City Rescue Mission is dedicated to proclaiming the life changing gospel of Jesus Christ to the homeless and needy of the Capital region, providing for the whole person – body, mind and spirit – to help them return to society maturing in Christ as productive citizens.
- B) Basis of Accounting** – The organization, prepares its financial statements on the accrual basis of accounting, in accordance with generally accepted accounting principles. Net assets and support/donations, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the organization and changes therein are classified and reported as follows:
1. **Unrestricted Net Assets:**  
Unrestricted net assets are net assets that are not subject to donor-imposed stipulations.
  2. **Temporarily Restricted Net Assets:**  
Temporarily restricted net assets are net assets subject to donor-imposed stipulations that may or will be met, either by actions of the organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.
  3. **Permanently Restricted Net Assets:**  
Permanently restricted net assets are net assets subject to donor-imposed stipulations, which require that they be maintained permanently by the organization. Generally, the donors of these assets permit the organization to use all or part of the income they earned on any related investments for general or specific purposes.



C) Donations non cash

The Company recognizes revenue and expenses from donated services and items from the following: food of \$482,401 that was calculated at \$2.47 per meal, clothing of \$113,513 calculated at \$2 per piece of clothing, and doctor's hours of \$15,600 at a rate of \$60 per hour. Other services are donated to the organization by volunteers, including Board members; no amounts have been reflected in accordance with SFAS No. 116. The amount of volunteer hours that made it possible for the mission to function in 2012 were 29,758.

NOTE 2: Property and Equipment

Property and equipment are capitalized at cost. Depreciation is provided over the estimated useful lives of the assets using the straight-line method of accounting.

NOTE 3: Annuity Contract

On May 17, 2002 Ruth Crawley donated a non assignable annuity for the sum of \$5,809 to the Company. The contract states that if donor is alive on May 17<sup>th</sup> 2002 then semi-annual payments of \$203.33 begin. The payments began in 2002 as per contract. The amount represented as a liability was calculated by an actuarial assumption from the deferred gift annuity contract.

NOTE 4: Support Received in Advance

Donations that are for a specified purpose are tracked separately and matched with the expenses to be sure they are spent for their specified purpose. This amount represents amounts received for the clinic, building improvements, learning center, gifts, and for the women and children's program that have not been spent as of 12-31-2012.

NOTE 5: Bailer Income

The donated clothes deemed unusable are recycled through a company called Wilson Marketing. Wilson Marketing paid on average of 55 cents per pound for shoes and 14 cents per pound for clothes in 2012 to the Company.

NOTE 6: Prior year

The accumulated depreciation on the 2011 Statement of Financial Position should have been \$2,553,350 not the \$1,812,818 that was reported. The amount previously reported for property and equipment, net was correct. In addition on the Statement of Activities for 2011, the Net Assets at the end of year should have been \$7,577,851 at year end and not \$7,607,496 as reported.